Update on the Climate Registry and Mandatory GHG Reporting Support for WA

The Climate Registry

WA Advisory Committee Meeting Seattle, Washington

January 8, 2009

Presentation Outline

- TCR Overview and Update
- Update on Washington members
- TCR Regional Mandatory Reporting Support
 - Regional (WCI, other states)
 - Washington
- Common Framework Overview
- CRIS Demonstration
- Q&A Session



The Climate Registry

MISSION: To standardize and centralize high quality GHG

data into a North American GHG registry to

support voluntary and mandatory reporting programs

BOARD: 12 Canadian Provinces/Territories_

40 U.S. States and D.C.

6 Mexican states

3 Native Sovereign Nations

MEMBERS: 305 Members/Reporters





The Registry's Voluntary Program

- Philosophy: "best practices" reporting
- Policy Neutral
- Based on international and state/provincial standards
- Reporting Requirements
 - All GHG emissions in North America
 - Entity-wide emissions at the facility-level
 - All six GHGs
 - All direct emissions and indirect emissions
 - Annual 3rd Party Verification



Value to States/Tribes/Provinces

- Creates accounting infrastructure to support local GHG policies
- Cost effective—builds on what is established
- Opportunity to collaborate with other jurisdictions
- Gives you a stronger voice in establishing regional/national standards
- Helps companies to establish a baseline and demonstrate reductions



Benefits to Registry Members

- You can't manage what you don't measure:
 - Identify areas to improve energy efficiency
 - Increase inter-organizational communication
- Understand the impact of your operations:
 - Assess environmental liability and risk
 - Readiness for compliance with new regulations
 - Document early action
 - Provide information to public and stakeholders
- Recognition as an environmental leader
- Seat at the table for policy development
- Expert Registry technical services:
 - Access to software and member support





Who are the Members?





















Drive one.







SALT LAKE CITY













Spirit of Service



The Climate Registry

Washington Members

15 Members Headquartered in Washington

- City of Seattle, WA
- Alcoa, Inc.
- ShoreBank Pacific
- Clark Public Utilities
- Sustainable Business Consulting
- GHG Accountants, L.L.C.
- Washington State Department of Ecology
- Public Utility District No. 1 of Clallam County
- Parametrix, Inc.

- Clark County, WA
- Port of Seattle
- Longview Fibre Paper and Packaging, Inc.
- Washington State Department of Transportation
- Seattle Steam Company
- Ameresco Inc. (Spokane Office)

Active Members with HQ Outside WA

- BPA
- Pacificorp



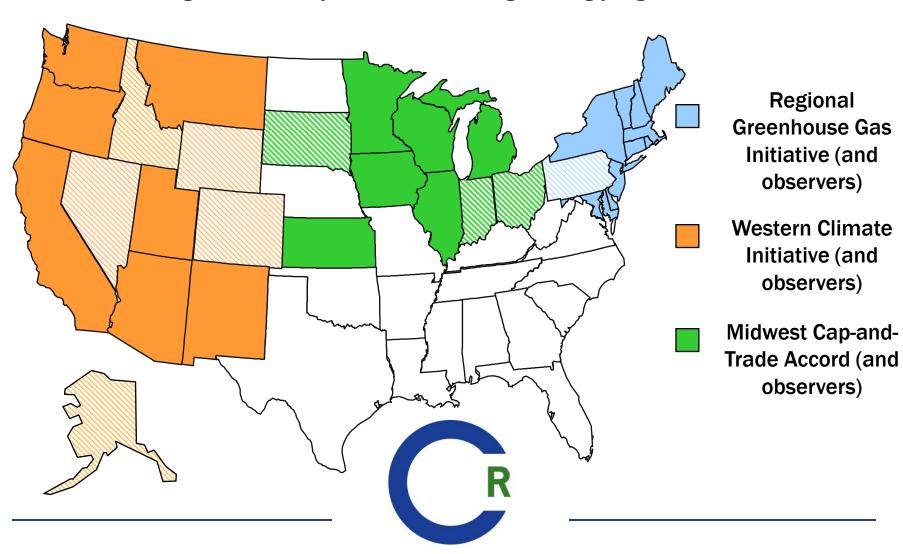
Mandatory State/Regional Reporting

- Many states/provinces are implementing mandatory reporting and working with the Registry
 - Requirements for mandatory programs will be determined by the states
 - Sources
 - Thresholds, etc
 - Scope 1 and/or 2 emissions
 - Reporting Infrastructure (Common Framework, Data Exchange)
 - Calculation Methodologies will be consistent



US State-based GHG trading is expanding

Large % of US in process of creating trading program



The Western Climate Initiative Partners

United States

- □ Arizona
- □ California
- Montana
- New Mexico
- □ Oregon
- □ Utah
- Washington

Canada

- □ British Columbia
- Manitoba
- □ Ontario
- □ Quebec

All Partners are Board Members of The Registry





Design Recommendations

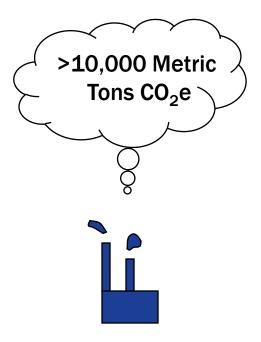
- Flexible compliance
 - Cap and trade
 - Offsets
 - Allowance banking (but no borrowing)
 - Three year compliance periods
 - Early reduction allowances
- Allowance distribution
 - Individual partner discretion
 - Auctions



Reporting Recommendations

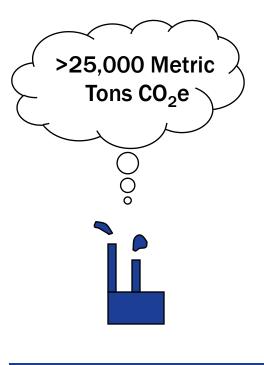
All stationary sources greater than 10,000 Metric tons required to report in WCI

- -Annual Reporting
- -All 6 GHG's
- -Starting in 2010





- -Annual Reporting -All 6 GHG's
- -Starting in 2010
- -3rd Party Verification



Reporting Recommendations

- Sectors to include in Cap and Trade
 - Electricity generation, including emissions from electricity generated outside the WCI
 - Combustion at industrial and commercial facilities
 - Industrial process emission sources
- Transportation, residential and commercial fuel combustion to be addressed in 2nd compliance period in 2015



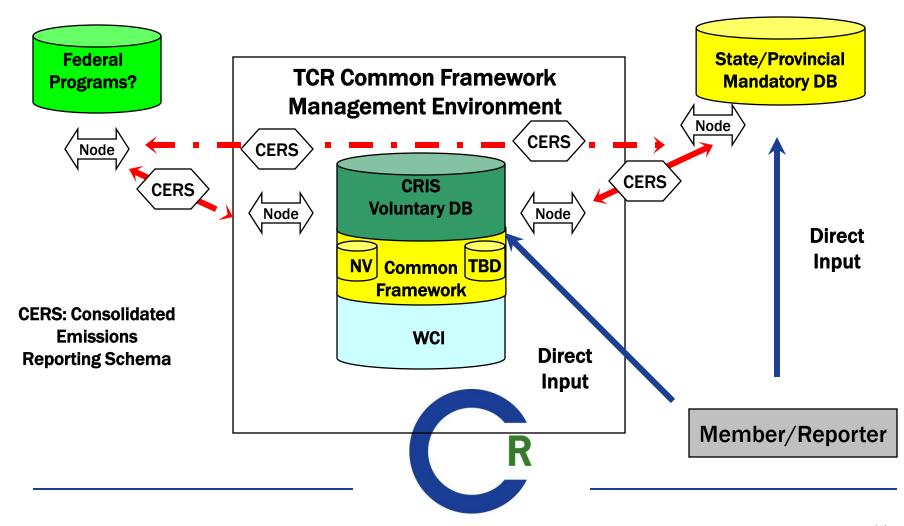
Next Steps

- Mandatory reporting
 - Finalizing Essential Requirements for Mandatory Reporting (12/08 DRAFT)
 - 1st year of reporting likely 2010 (report in 2011)
- Continued program development
 - Implementation
 - Stakeholders
- Authority

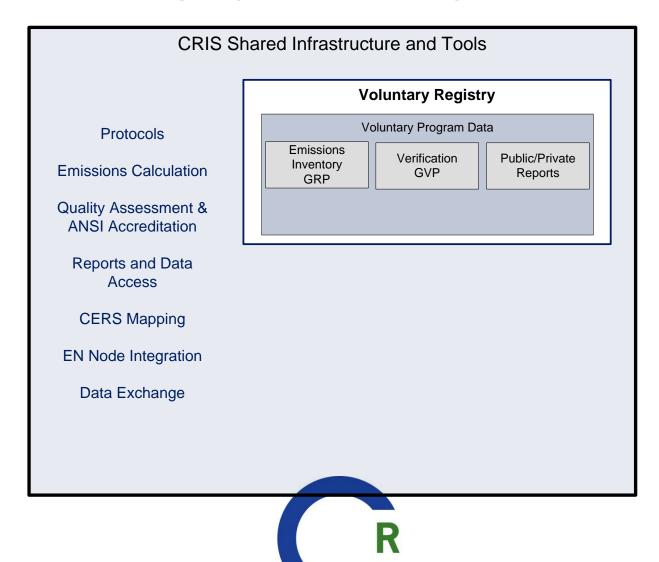


Integration with Jurisdictional and Federal Programs

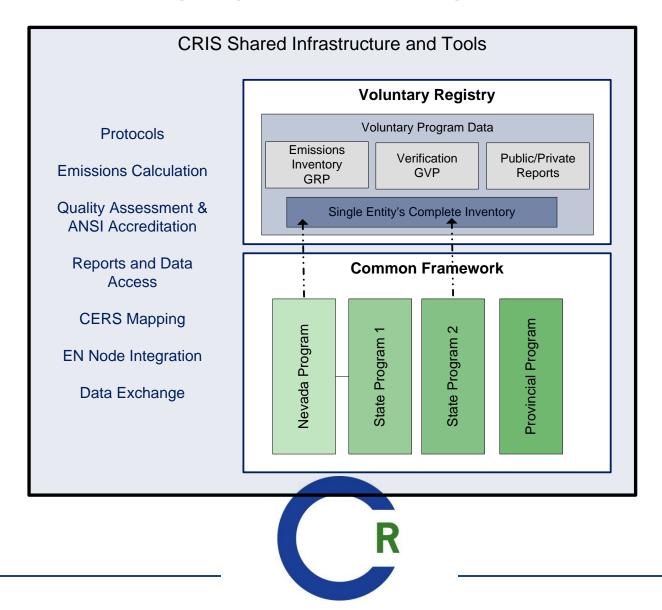
Working with Federal, State, and Regional Programs



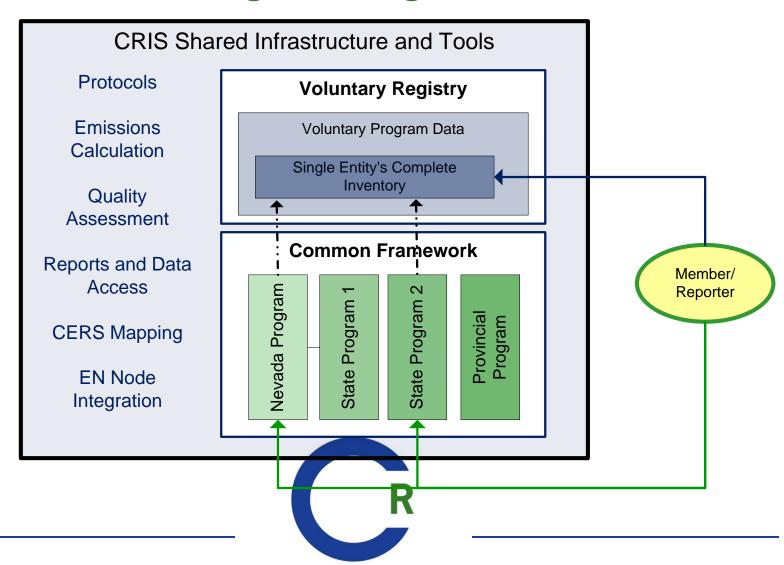
CRIS - Climate Registry Information Systems



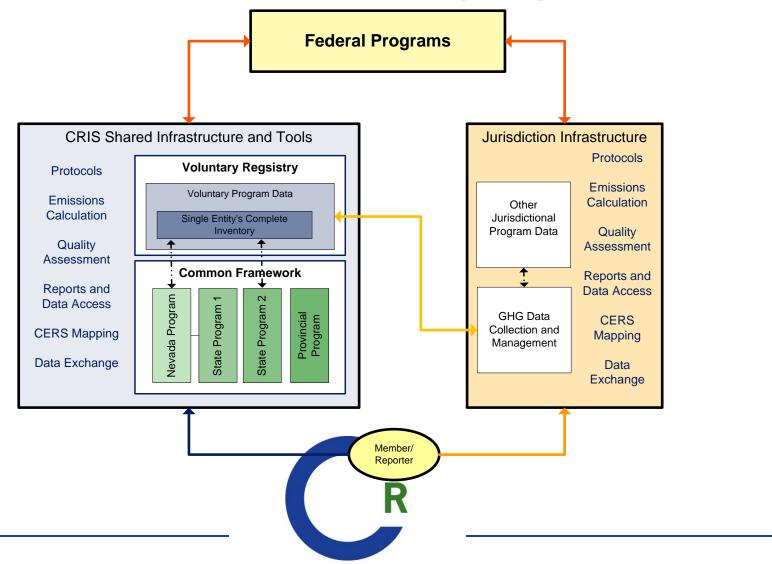
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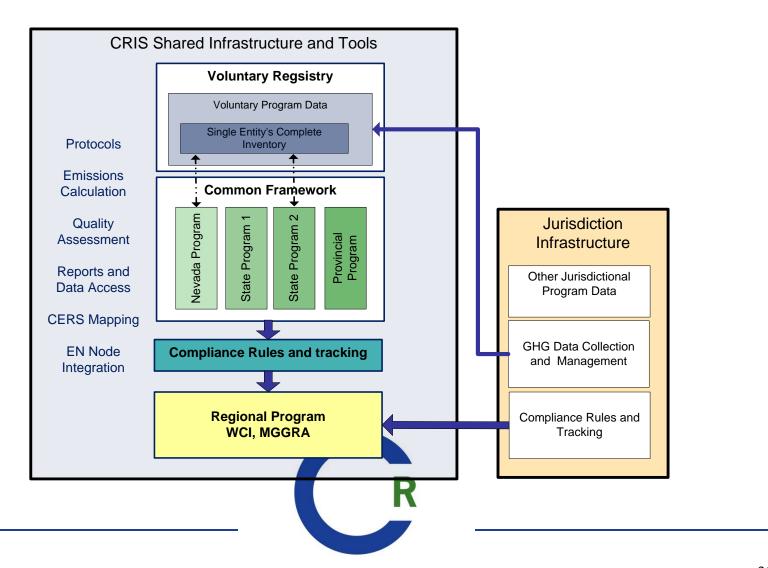
Scenario 1: Reporting to both Voluntary and Mandatory Programs using CRIS



Scenario 2: Data Exchange between The Climate Registry, State and Federal Mandatory Programs



Scenario 3: State and Regional Mandatory GHG and Cap & Trade Programs



US Mandatory Federal Reporting

- New federal mandatory reporting law:
 - Includes all sectors of economy
 - □ First reporting year likely 2011 (maybe 2010)
 - EPA missed 1st deadline in Sept 08
- What does this mean?
 - Title V sources will likely be reporting emissions
 - Get engaged in the process now
 - Climate Registry likely to strongly inform federal process
 - Know and understand your GHG footprint



Why report to the Voluntary Program?

- Establish and protect baselines manage risk
- Document early action
- Practice makes perfect
- Assess future policy impacts
- Affect future policy path
- Find cost effective reductions
- Provide confidence in the carbon footprint given to investors, employees, management
- Environmental leadership



Demo: Reporting Your GHG Emissions Using CRIS



Overview of Process

1. Set-up - once

- Users- alternate administrators, reviewers, lead verifiers and facility administrators
- 2. **Facility Information** [Location, Scope (direct, indirect, process, fugitive, biogenic, etc.), NAICS code]
- 3. **Sources-** (equipment and fuel)

2. Emissions Reporting - annual

Enter emissions data (ie. tons of CH4, MW's electricity, etc.)

CRIS will create a template so information can be entered annually.



Reports Show:

- Emissions by Scope
 - Direct stationary, mobile, process, fugitive
 - Indirect purchased : electricity, heating, cooling, steam
 - Biogenic- stationary, mobile
 - Scope 3
- All 6 gasses and CO2e
- Methodology Accuracy Tiers
- Documents uploaded



General Tips

- Have your GRP handy
- Know facility information prior to working in CRIS:
 - Facility address
 - Facility category (fleet, commercial building, aggregate, stationary source)
 - Geographic category (within a state/province, national, etc.)
 - Equipment type (type of boilers, etc.)
 - CRIS worksheet can help!
- Most navigation is at the page bottom:
 - If in doubt... scroll down to the bottom of the page
- Save often
- If you see a "Continue" button... use that!
 - Back = Continue



Overview of CRIS - Considerations

- Demo of Version 1.0 today
- Version 1.1 currently under development/testing
 - Enhanced calculators
 - More robust help features
 - Introduction in Q1
 - Anticipate 3 waves of updates by 2010
- Bulk upload capabilities in Q2/Q3
 - Instructions and process
 - White paper



For More Information:

Tymon Lodder 303-467-7765

Tymon@theclimateregistry.org

www.theclimateregistry.org

